



Clinton
February 2020

WHAT IS UTOPIA FIBER?

UTOPIA is a Utah Interlocal Entity and political subdivision of the State of Utah

Founding Members

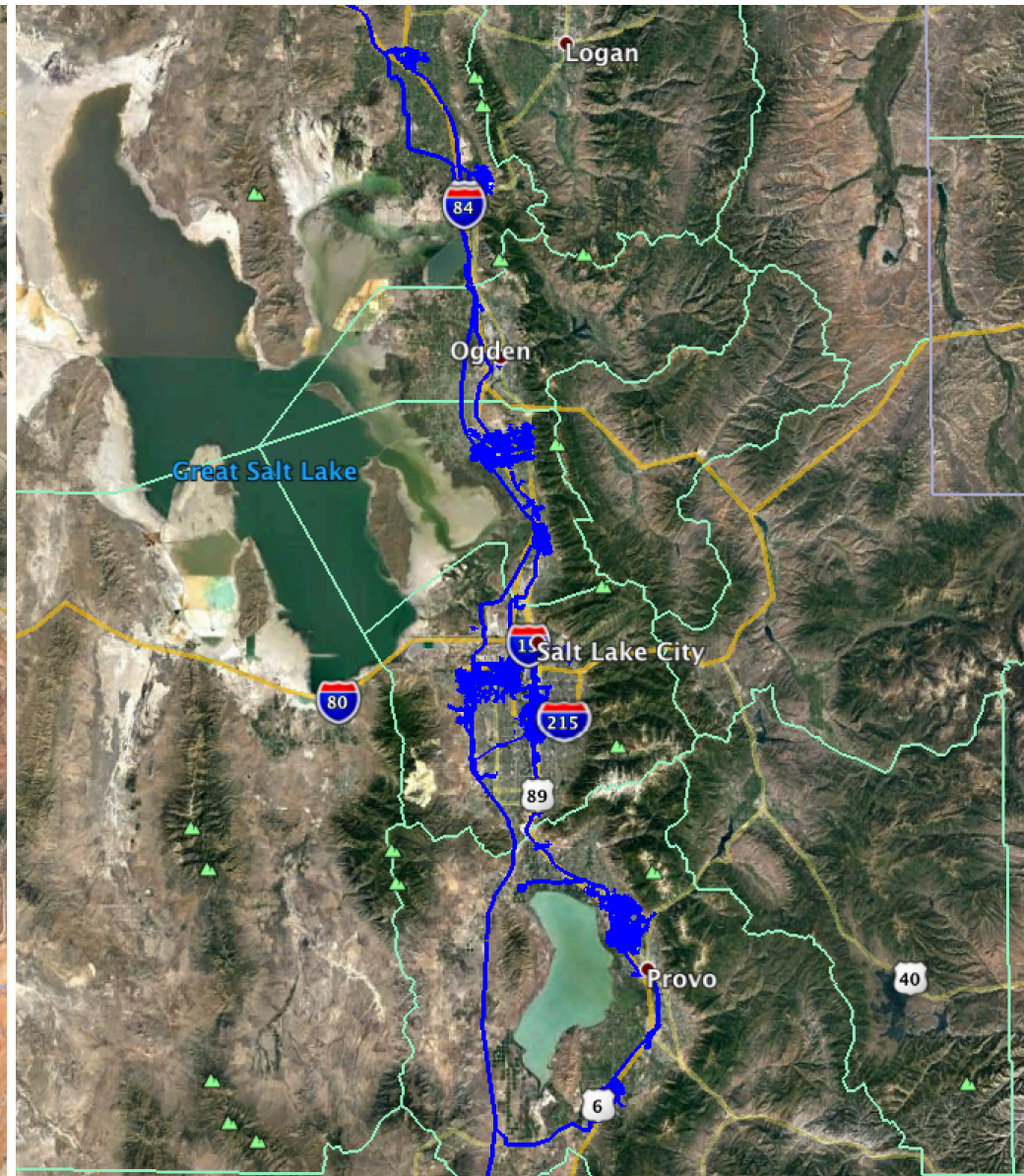
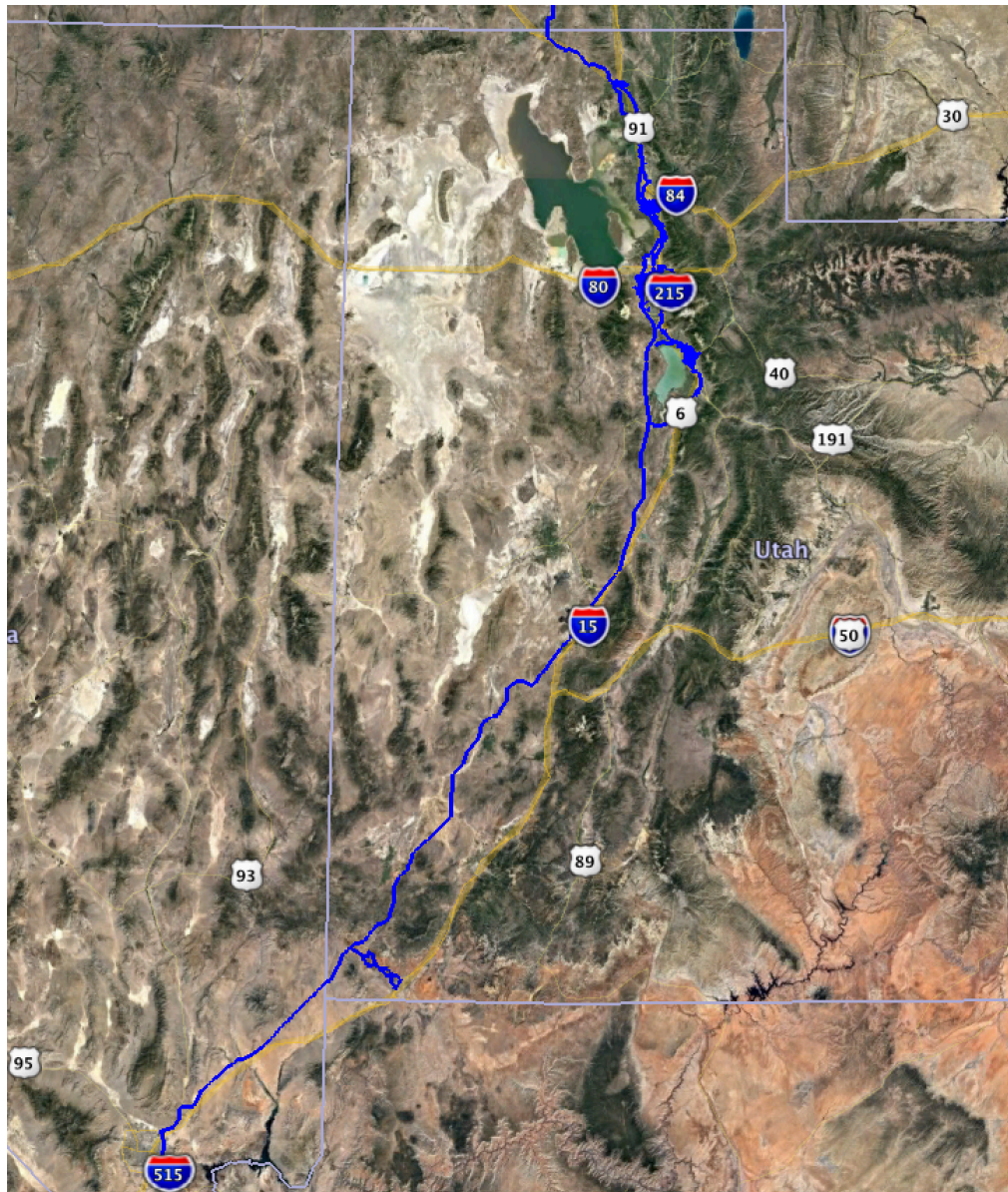
Brigham City	Centerville
Layton	Lindon
Midvale	Murray
Orem	Payson
Perry	Tremonton
West Valley City	

New Partner Cities

Woodland Hills	Idaho Falls
Morgan City	West Point
*****	*****
*****	*****

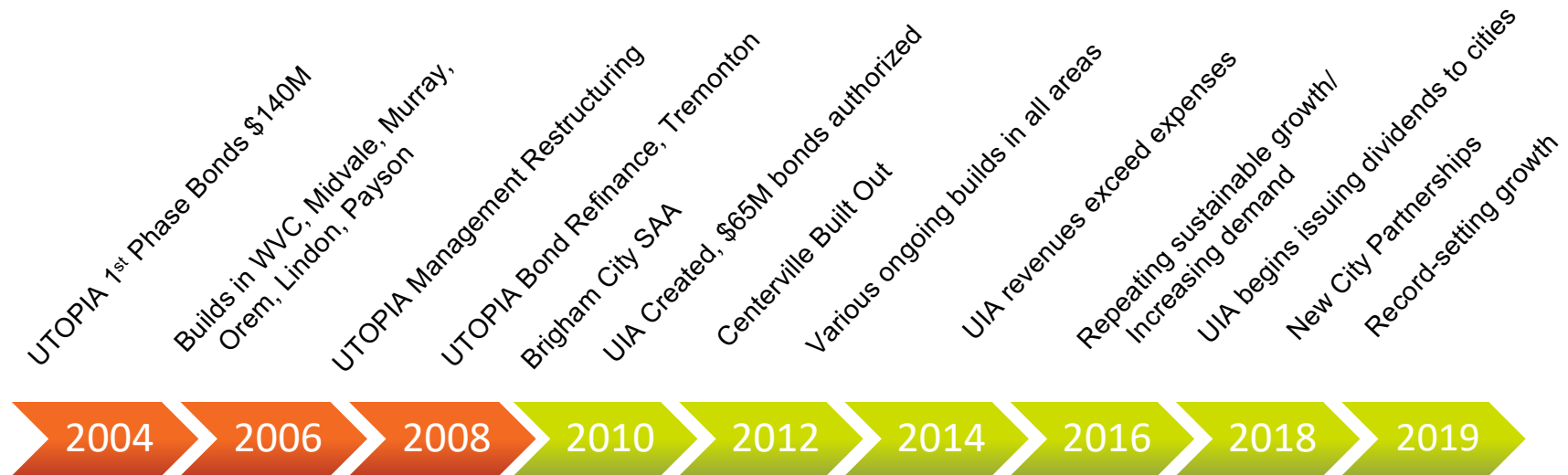


WHAT IS UTOPIA FIBER?



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WHAT IS UTOPIA/UIA FIBER?



UTOPIA - Phase 1

- Core Backbone Built
- Revenues lagged
- Higher expenses
- Few service providers

UIA - Phase 2

- Revenues exceeding debt service
- Sustainable buildouts
- Lower material and electronics costs
- Strong service provider competition



MUNICIPAL OPEN-ACCESS FIBER

Open-Access Roads



Municipalities provide street infrastructure that can be shared by competing private shipping companies.

MUNICIPAL OPEN-ACCESS FIBER

Open-Access Transportation Infrastructure

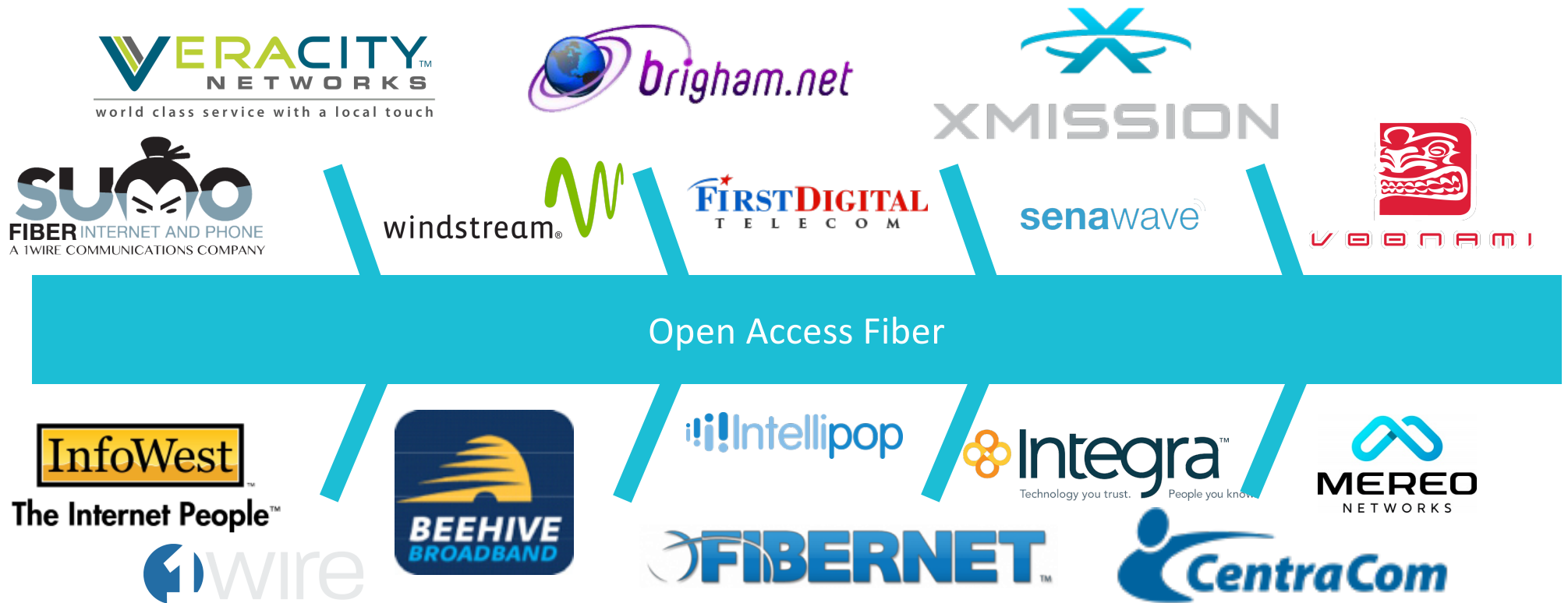


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MUNICIPAL OPEN-ACCESS FIBER

Shared Open-access Municipal Fiber Infrastructure



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UTOPIA FIBER SERVICE OPTIONS



\$30/mo



PROVIDER	INTERNET			PHONE*		VIDEO*			
	250 Mbps \$34.95	1 Gbps \$49.95		Beehive Phone - Self Installation \$19.95	Beehive Phone - Technician Installation \$19.95	Lifeline Video Package \$34.95	Family Package \$64.95	Entertainment Package \$74.95	Total Video Package \$114.95
	250 Mbps \$35.00	1 Gbps \$54.95	10 Gbps \$199.99	Brigham.net Phone: Voice line includes 500 minutes Free Long Distance, Caller ID, Call Waiting, Call Forwarding, Voicemail, Follow me & E-911 services. \$24.95		Yondoo TV (Contact Yondoo for pricing and plan details 877-309-4462) \$0.00			
	250 Mbps \$34.95	1 Gbps \$49.95		CentraCom Phone \$15.00					
	250 Mbps \$35.00								
	250 Mbps \$35.00	1 Gbps \$48.00		InfoWest Phone \$20.00		Yondoo TV (contact Yondoo for details 877-309-4462) \$0.00			
	250 Mbps \$34.95								
	250 Mbps \$32.98	1 Gbps \$37.80		Standard Calling \$17.99	Premium US48 \$27.98				
	250 Mbps \$35.00	1 Gbps \$48.00	10 Gbps \$200.00	Unlimited Local Calling \$5.00	International Plan \$20.00	National Plan (Lower 48 States) \$10.00	Yondoo TV (Contact Yondoo for pricing and plan details 877-309-4462) \$0.00		
	250 Mbps \$34.99	1 Gbps \$54.99	10 Gbps \$199.99	Veracity Phone \$9.99		Total Vision (Basic) \$59.99	Beyond Vision (Expanded) \$76.99	Premier Vision (Expanded) \$114.99	
	250 Mbps \$34.95	1 Gbps \$54.95		Local Calling Plan \$4.95	National Calling Plan \$9.95				
	250 Mbps \$37.00	1 Gbps \$50.00	10 Gbps \$250.00	XMISSION Phone \$15.00		Yondoo TV (Contact Yondoo for pricing and plan details 877-309-4462) \$0.00			



801.613.3

WHY OPEN ACCESS FIBER?

Top Political Issues – Benefit from municipal open access fiber

- **Air Quality and Environment**
- **Transportation and Traffic**
- **Education**
- **Government Spending**
- **Jobs and Economy**
- **Healthcare Taxes**
- **Gas and Energy Prices**
- **Ethics of Elected Officials**
- **States vs. Federal Government Rights**



WHY OPEN ACCESS FIBER?

- **Net Neutrality**
- **Digital Divide – Digital Equity**
- **Rural Broadband Divide**
- **Competitive Options**
- **Top Speeds**
- **Low Prices**
- **Honest Marketing/Stable Pricing**
- **5G and other future technologies**
- **Enables Smart City Applications**
- **Economic Development Benefits**
- **Stops Brain Drain**



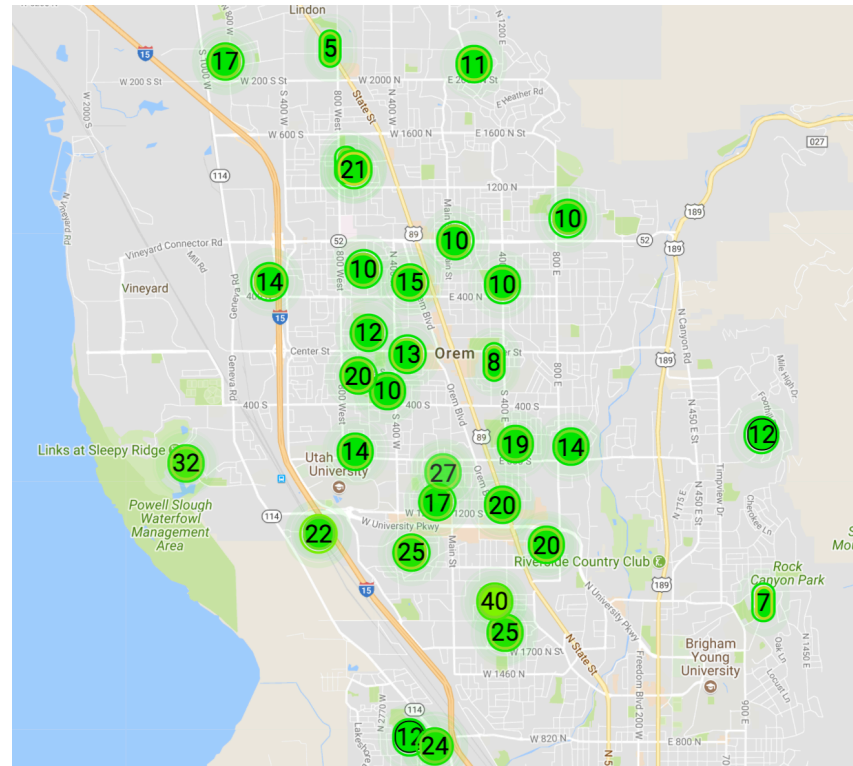
WHY OPEN ACCESS FIBER?

Enables Smart City Applications

- Video Surveillance
- Automated Metering Interface (AMI)
- SCADA
- Smart Irrigation
- Traffic Control
- Air Quality Monitoring
- Park Wi-Fi / Downtown Wi-Fi
- City Meetings
- Disaster Recovery
- Smart Parking
- Smart Facilities
- Wildfire Detection/Mitigation



SMART CITY APPLICATIONS - Air Quality Sensor Network



UTOPIA Fiber is #1 provider of PurpleAir air quality sensors in Utah, available live on purpleair.com and KSL weather.



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SMART CITY APPLICATIONS

Wi-Fi Solutions

UAP-AC-HD - Ubiquiti Networks example

- MU-MIMO Beamforming
- 1.7Gbps Aggregate per AP

Applications

- Park Wi-Fi
- Downtown Wi-Fi
- Public Safety Wi-Fi

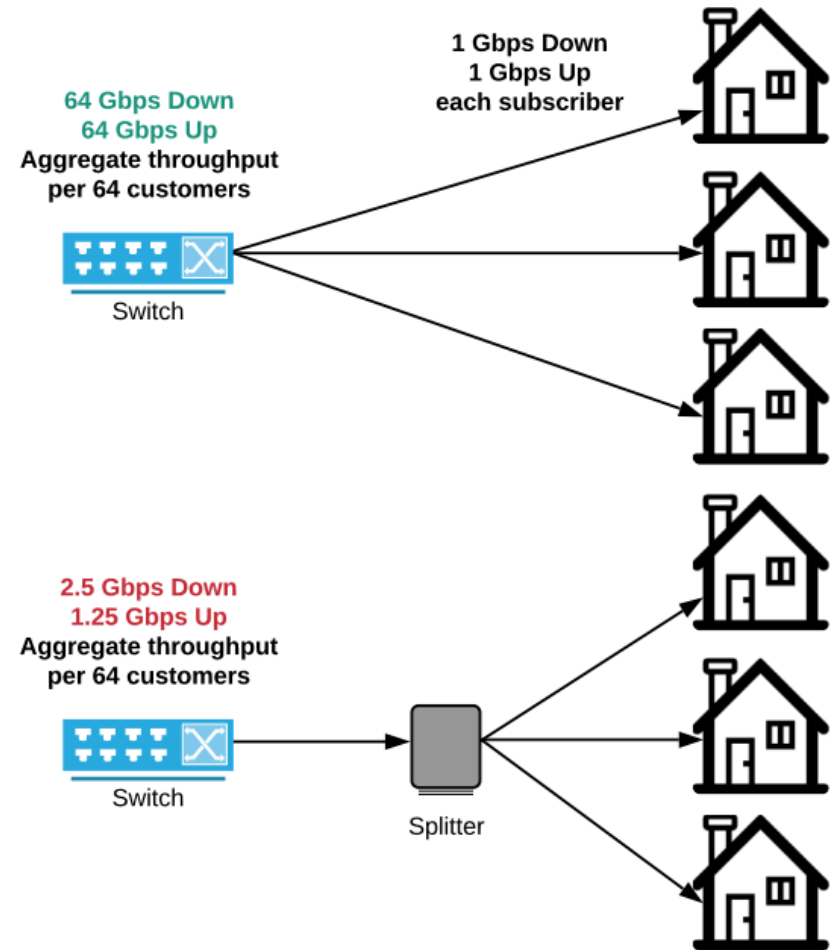


SUPERIOR, FUTURE-PROOF ETHERNET ARCHITECTURE

- Supports dedicated capacity per customer
- 10 Gbps now available across UTOPIA Fiber, 100 Gbps for businesses



Ethernet
Dedicated fiber capacity for every
home/business



Other Fiber Providers

- Google Fiber
- CenturyLink



CURRENT OPTIONS IN CITY

ars TECHNICA BIZ & IT TECH SCIENCE POLICY CARS GAMING & CULTURE

AND PRICE HIKES, AN ICONIC DUO —

**promised not to raise prices—
guess what happened next**

accused of renegeing on "lifetime" price promise in Google Fiber city.

JON BRODWIN - 9/19/2019, 11:59 AM

PHILADELPHIA BUSINESS JOURNAL Where Philadelphia's top chefs are eating in 2020 >

Media & Marketing

to pay \$15.5M to settle class-action lawsuit over set-top box rentals

By Michelle Caffrey - Reporter, Philadelphia Business Journal
Sep 25, 2019, 1:42pm EDT

FierceTelecom

AI TELECOM TECH PLATFORMS

Operators

to pay \$8.9 million in fraudulent billing case

by Martha DeGrasse | Jan 10, 2020 10:30am

StarTribune
BUSINESS

**agrees to \$1.1 million in
refunds in deceptive practices
lawsuit**

AG, cable giant settle deceptive-practices suit.

By Mike Hughlett Star Tribune | JANUARY 15, 2020 — 7:18PM

NEWSWATCH 12 KDRV.COM Watching Out For You

HOME NEWS WEATHER SPORTS VIDEO FEATURE

OREGON REACHES \$4 MILLION SETTLEMENT WITH FOLLOWING CONSUMER COMPLAINTS

The Attorney General's office said that it had received more than 1,200 customer complaints about , prompting the suit.

Posted: Dec 31, 2019 3:57 PM
Updated: Dec 31, 2019 4:06 PM
Posted By: Jamie Parfitt



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UTOPIA FIBER CUSTOMERS



January 18 at 12:59 PM

I am trying to switch Internet providers Comcast is way expensive. I've been looking into Utopia fiber. Is there anyone in Layton that uses any of the Network they provide . And is it good?



22 Comments



Like



Comment



Utopia is wonderful. I will not switch back to anything else. We use Sumofiber for the actual isp and love them.

Like · Reply · 2w



We have used it for a few years. Love it. I would never go back to Comcast

Like · Reply · 2w



I have used XMission for years, and have never had a single issue. Won't ever use anything else as long as I live here.

Like · Reply · 2w



We have xmission and haven't had any problems. We had Comcast for many years and Xmission is alot better.

Like · Reply · 2w · Edited



Utopia is by far the best in the state. Had xmission for years with no issues.

Like · Reply · 2w



I'm a utopia + xmission user and have been for about 2 years now. No issues. No rate hikes. Fast internet! I don't plan on leaving at any point.

Like · Reply · 2w



I use utopia through intellipop. They are awesome. And inexpensive after the installation is taken care of

Like · Reply · 2w



A couple Comcast reps approached me at Walmart and asked who I have for internet. I told them I have Utopia and they were like "oh... well you have a great day then!"

That's how good Utopia is.

Like · Reply · 2w



I love Utopia We have had no problems. The only thing is you have to buy your own router and ours sucks. We have had to call in twice to have them fix it. And now we'll have to pay the next time for them to fix it. Do not get the Netgear nighthawk one.

Like · Reply · 2w



We use XMission for utopia. No problems. When we had Comcast we regularly had problems and they were more expensive for slower speeds.

Like · Reply · 2w



Okay thank you so much everyone!

Like · Reply · 2w



I've been with Utopia for 6 months. \$78 a month for 1gb up and 1gb down. Never had any issues with my service and speed is consistent

Like · Reply · 2w



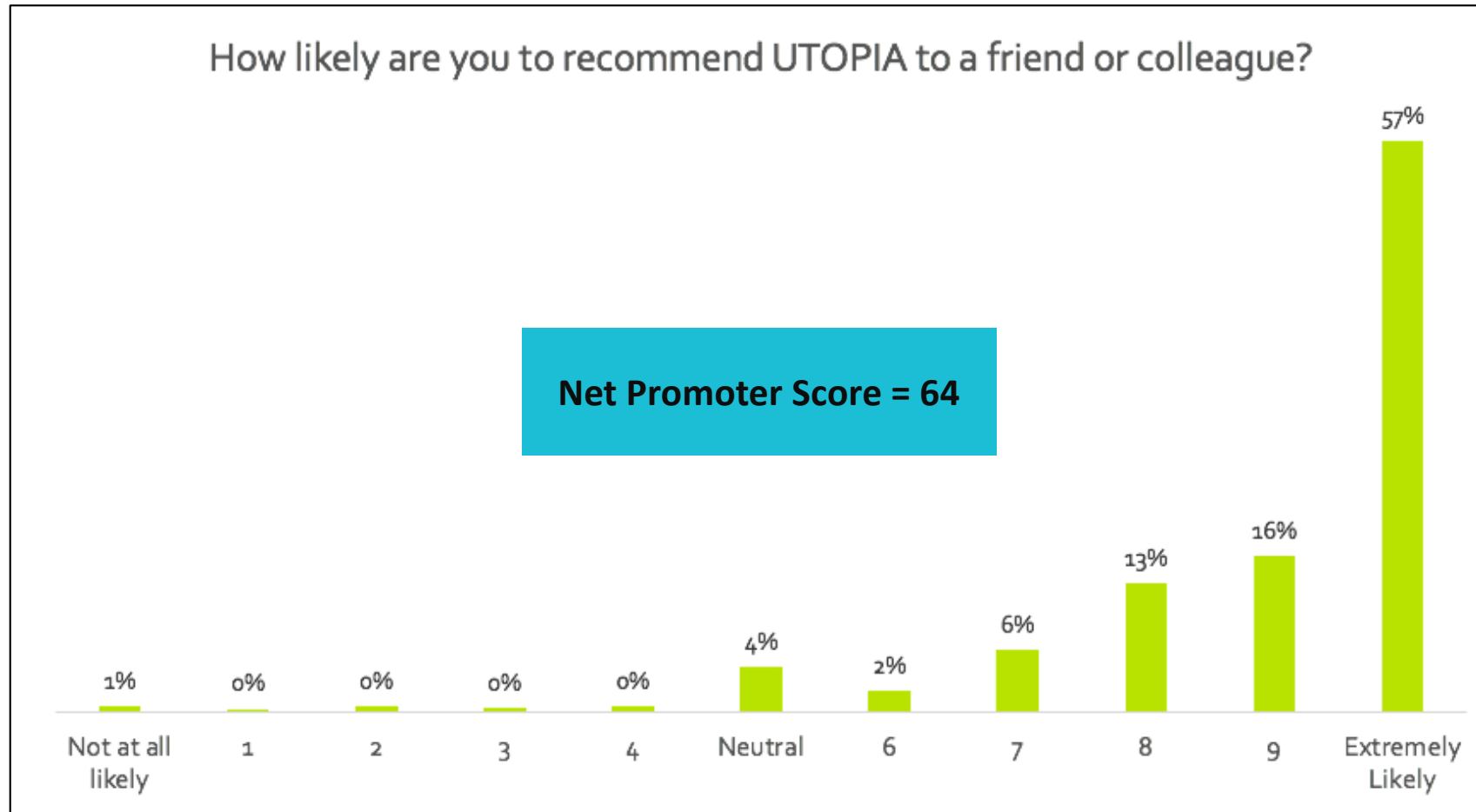
With the fiber network we have in Layton, there's no reason anyone should have to deal with Comcast any longer. Get the Utopia hooked up. Choose any ISP (they're all fine) XMission and Sumo are the two I hear used most often. Had XMission for about 2.5 years. Works fantastic.

Like · Reply · 2w



NET PROMOTER SCORE

Highest customer satisfaction



Third-party survey conducted August 2018 by Boncom



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GOOGLE RATINGS

UTOPIA Fiber is the #1 rated provider in region

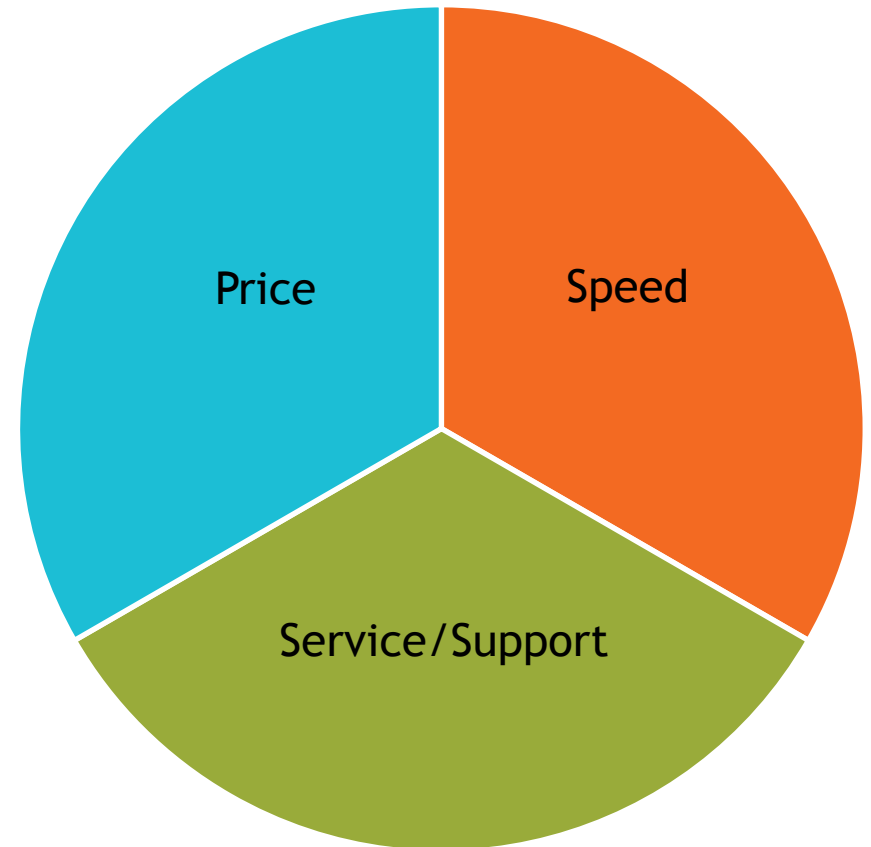
Provider	Score	Source
All West	2.2	https://goo.gl/maps/DKr99kKBxAk
Beehive Broadband*	4.2	https://goo.gl/maps/ha5s3zSCNZ72
Comcast	3.1	https://goo.gl/maps/e2B7BfDLVyB2
Centracom*	3.1	https://goo.gl/maps/b9y29wadCrR2
Centurylink	1.4	https://goo.gl/maps/fNjf6TwPj2U2
Emery Telcom	1.9	https://goo.gl/maps/A76PxxYsfEx
Google Fiber	3.7	https://goo.gl/maps/xEksEoo3ob12
UTOPIA Fiber	4.5	https://goo.gl/maps/8xeqhDQ6KU82
Xmission*	4.5	https://goo.gl/maps/DXF6Uw3mcYv

*UTOPIA Fiber partner provider

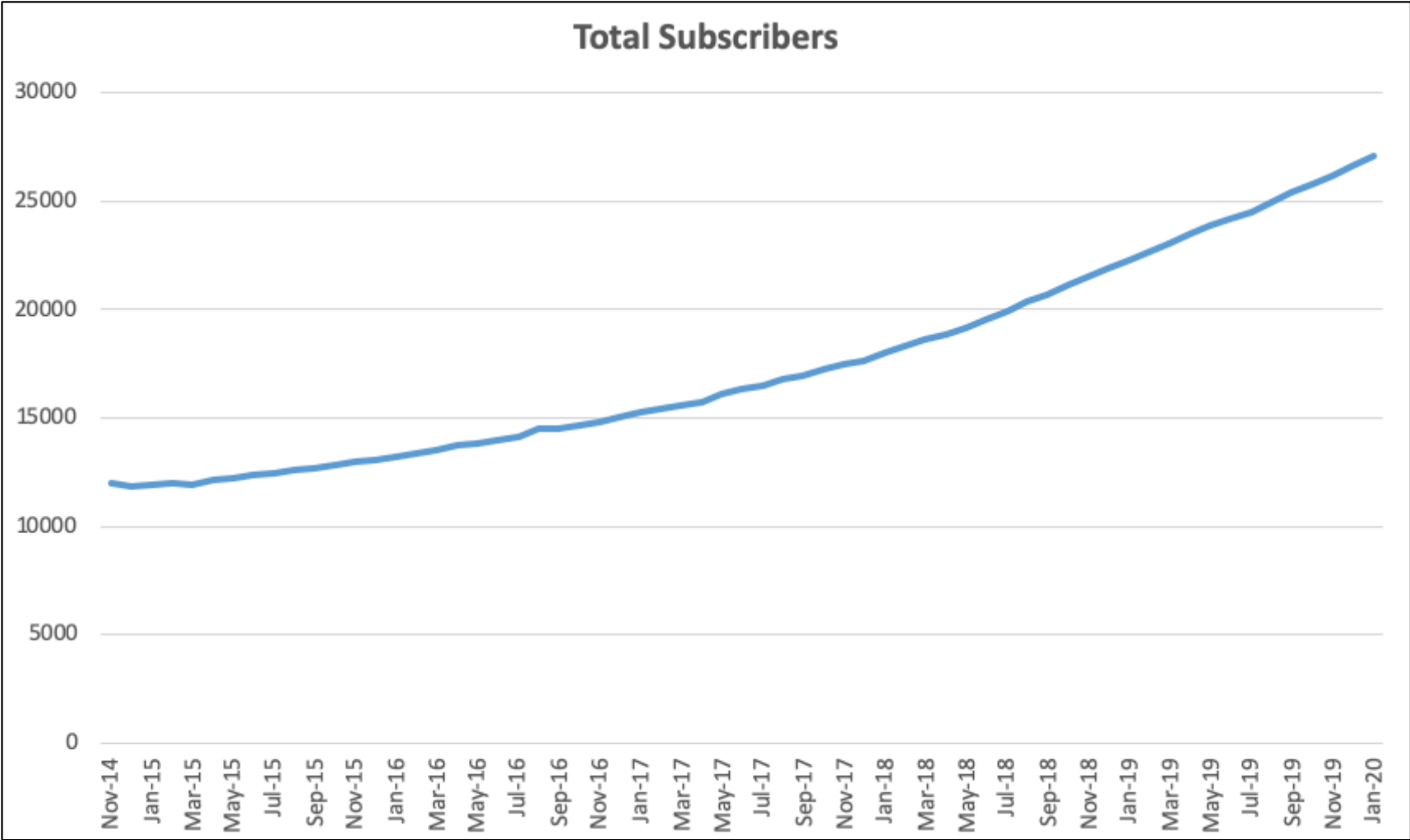


UTOPIA FIBER - KEYS TO SUCCESS

- Fastest in country
 - 10 Gbps Residential
 - 100 Gbps Business
- Top Rated
 - Net Promoter Score = 64
 - Google Rating - 4.5 Stars
- Best Value
 - 250 Mbps - \$65
 - 1 Gbps - \$78



Increasing Demand



Partnership with UTOPIA Fiber

Municipality (individual or collectively)

- Services agreement based subscribers paying for system with 35% take-rate (45%+ expected)
 - City revenues, business revenues buffer against any risk
 - Increasing demand, technology advancements, 5G revenue trends reduce risk
- No obligation to previous investments in backbone, UTOPIA facilities, core network, etc. or future (additional cities) projects

UTOPIA/UIA

- Finances the project (bonds for the project, and pays off the bond with no city debt)
- Receives portion of subscriber fees to cover operational expenses
 - Electronics replacement
 - Fiber maintenance
 - Utility locating
 - Repairs
 - Backbone interconnectivity
 - Network Operations Center monitoring
 - Service provider interconnectivity
 - Billing
 - Marketing



Potential partnership with UTOPIA Fiber

Entire project is paid for by the voluntary subscription fees of those who choose to sign up for a better and lower cost service than what they have now. Project is financed, designed, built, operated, and maintained by UIA.

Municipality Benefits vs Risk

- Significant \$ benefit to residents and businesses in city
 - Reduced costs of services (\$27/mo average savings*)
 - Increased property values (3.1% average*)
 - Protection of net neutrality
 - Eliminate digital divide
 - Quality of life improvement
- No other municipal project brings a more dramatic and immediate change in economics and quality of life improvement than fiber
- UTOPIA/UIA partnership brings all of the benefits of fiber provider competition, top-rated services, reliability, fastest Internet speeds with **no cost, taxes, or subsidies.**

[*https://medium.com/@fiberbroadband/when-gigabit-internet-comes-to-town-it-could-mean-savings-for-consumers-4feccd69223](https://medium.com/@fiberbroadband/when-gigabit-internet-comes-to-town-it-could-mean-savings-for-consumers-4feccd69223)



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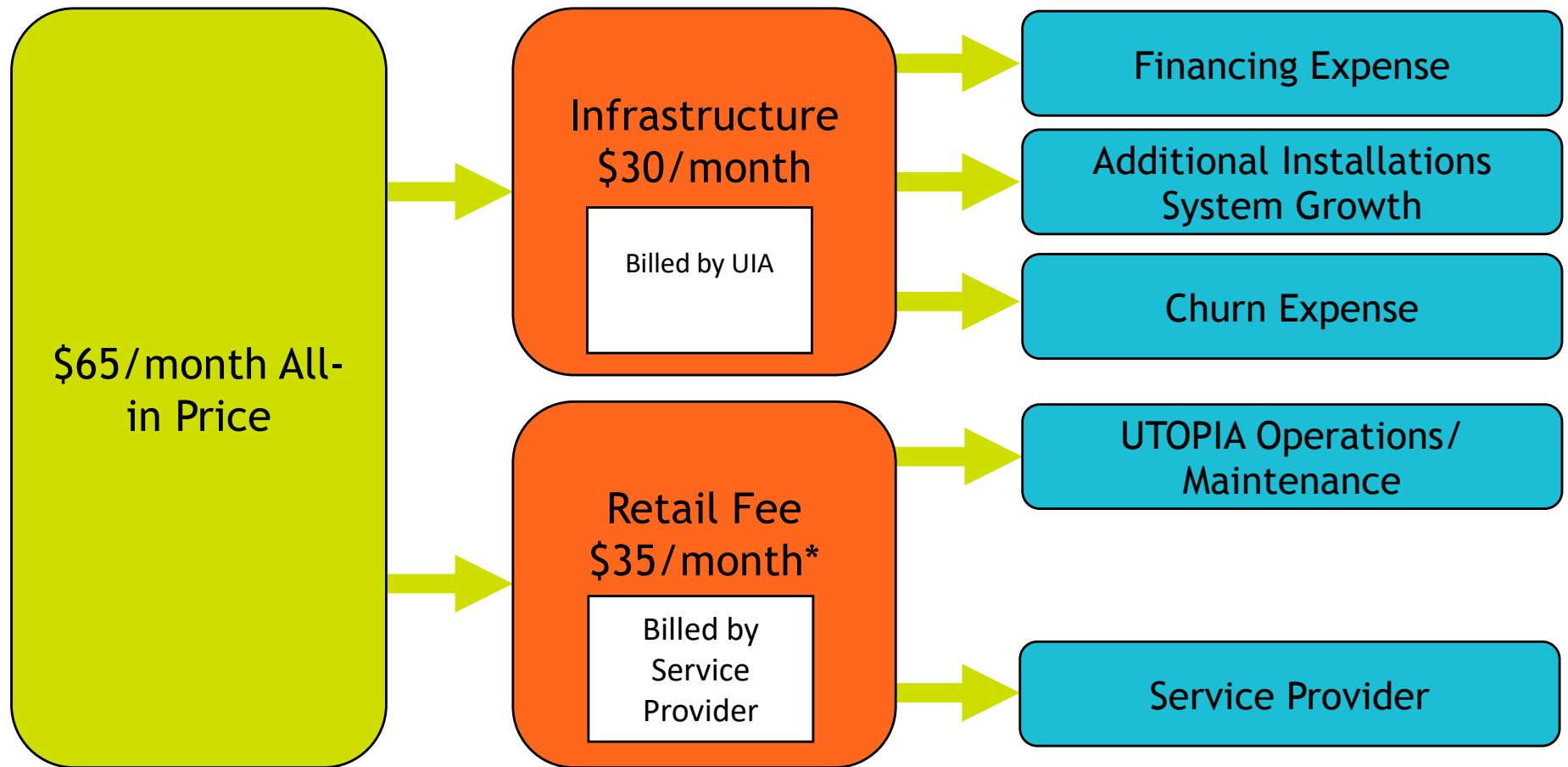
Why Partner with UIA/UTOPIA?

- Established partner with proven successful model
- City avoids startup costs, risks, pitfalls
- City avoids legal challenges, referendum risk
- Economy of scale benefit
- 25+ service providers in place
- Simple structure based on proven UIA model
- Lower costs from UTOPIA volume materials and labor purchasing
- Proven track record (\$140M+ successful projects)
- Leverage existing resources of UTOPIA Fiber



REVENUE DISTRIBUTION OF SUBSCRIBER FEES












Example - Minimum 250/250 Mbps Internet Package, 1yr commitment



*varies by a few dollars depending on choice of provider



UTOPIA FIBER SERVICE OPTIONS -

PROVIDER	INTERNET			PHONE*			VIDEO*			
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PROJECT STEPS



1. Community Survey
2. UTOPIA Fiber Proposal
3. RFP
4. Contract Award/Approval
5. UIA Financing of Project
6. Project Build
7. Marketing/Sales



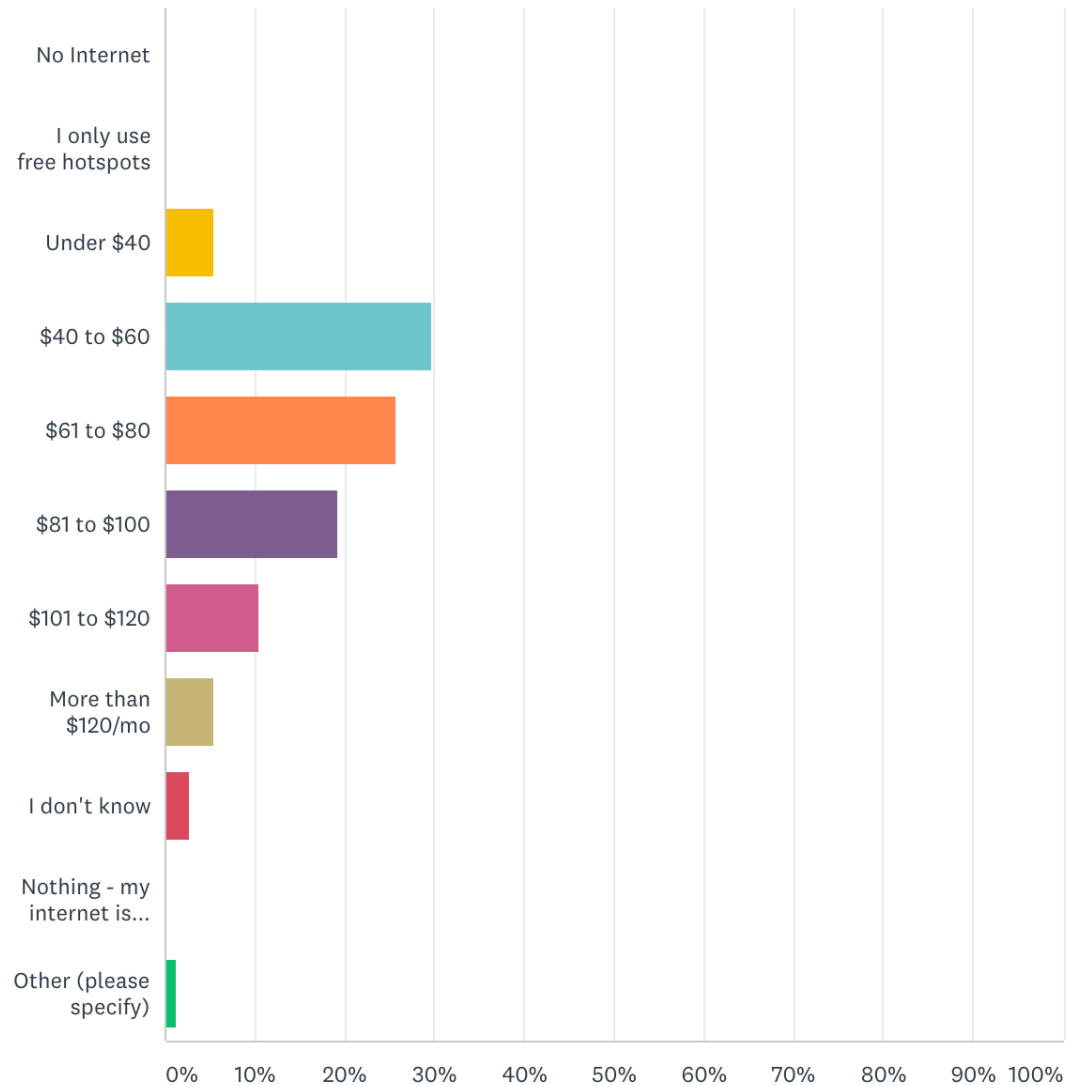
1-2
years for
project
completion



SIMILAR CITY – SURVEY RESULTS

Currently, how much do you pay for internet service each month? (monthly)

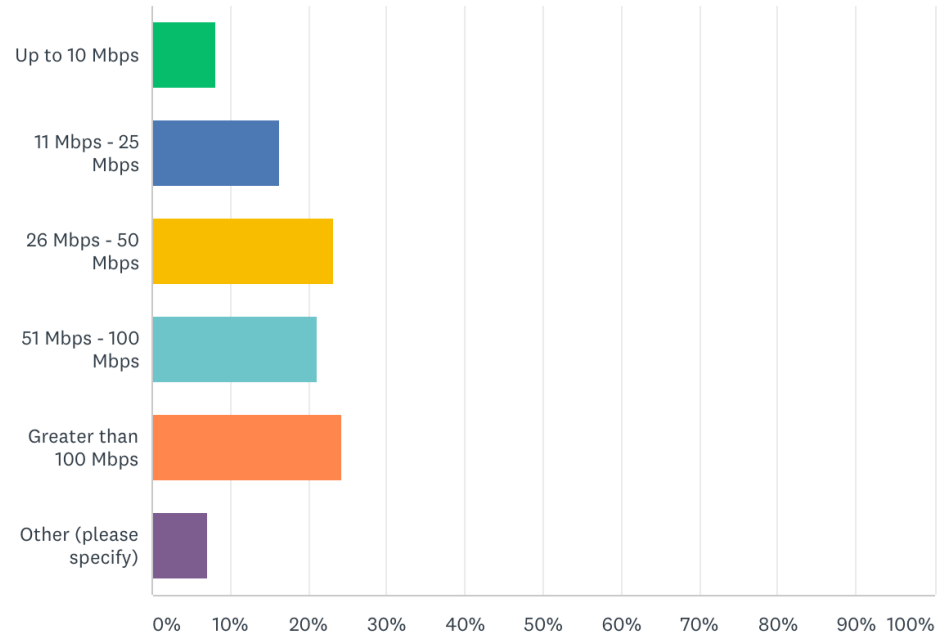
Answered: 417 Skipped: 0



SIMILAR CITY – SURVEY RESULTS

What is the download speed of your internet connection

Answered: 409 Skipped: 8



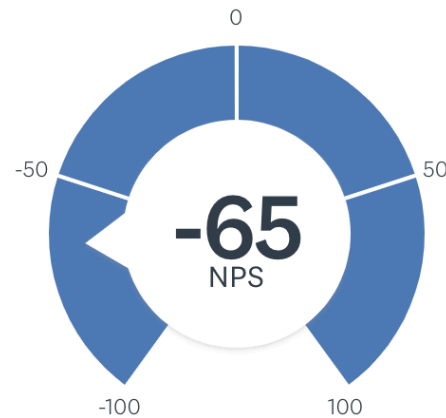
ANSWER CHOICES	RESPONSES	
▼ Up to 10 Mbps	8.07%	33
▼ 11 Mbps - 25 Mbps	16.38%	67
▼ 26 Mbps - 50 Mbps	23.23%	95
▼ 51 Mbps - 100 Mbps	21.03%	86
▼ Greater than 100 Mbps	24.21%	99
▼ Other (please specify)	7.09%	29
TOTAL		409



SIMILAR CITY – SURVEY RESULTS

How likely is it that you would recommend your current Internet service to a friend or colleague?

Answered: 417 Skipped: 0



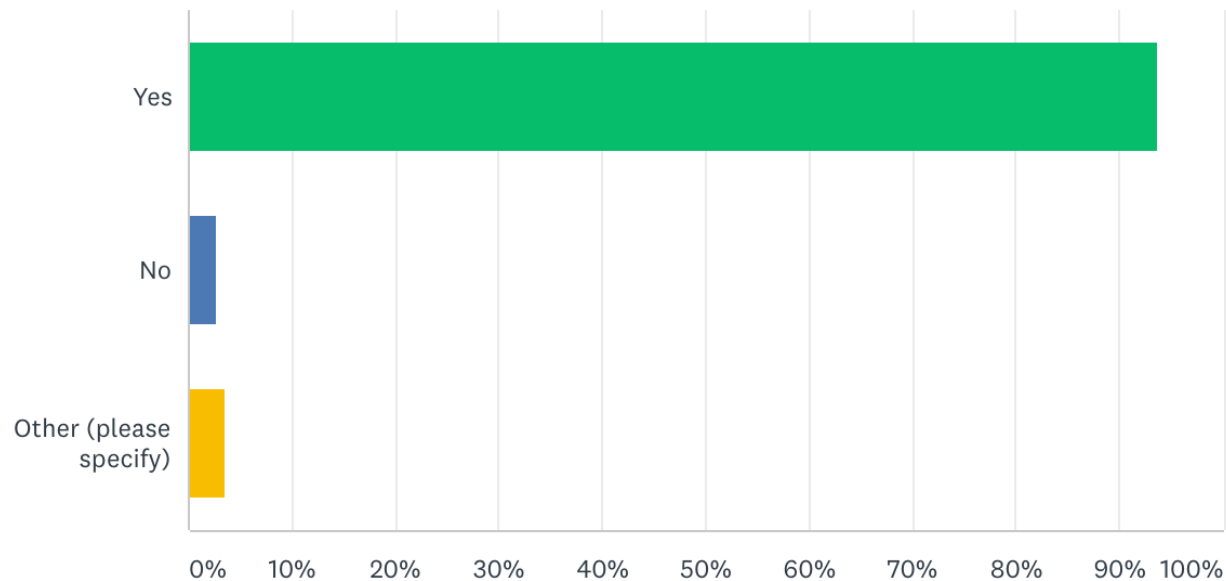
DETRACTORS (0-6)	PASSIVES (7-8)	PROMOTERS (9-10)	NET PROMOTER® SCORE
73% 303	19% 81	8% 33	-65



SIMILAR CITY – SURVEY RESULTS

Would you be supportive of the city pursuing additional broadband options for our city?

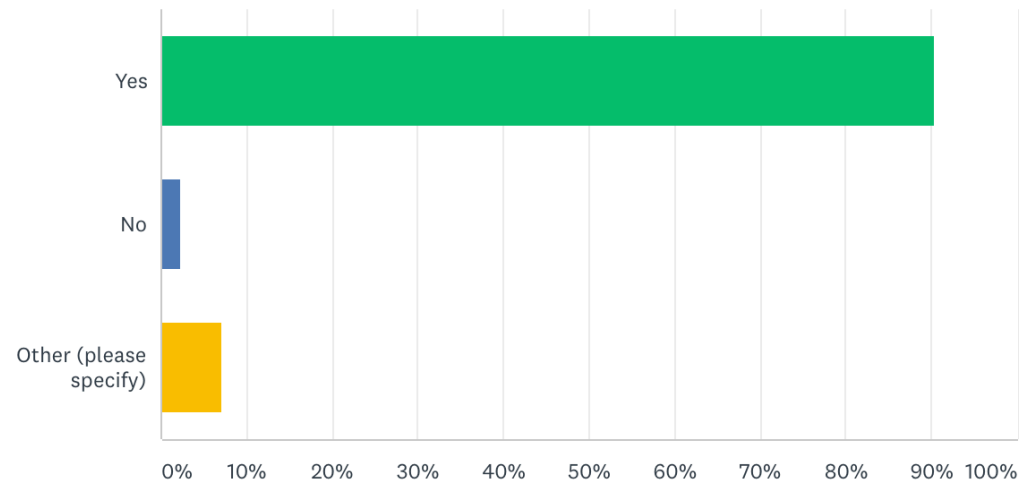
Answered: 417 Skipped: 0



SIMILAR CITY – SURVEY RESULTS

If the city could build a fiber-to-the-home network paid for only by those that voluntarily signed up for services (no taxes or fees for non-subscribers), would you support the city proceeding with a project?

Answered: 417 Skipped: 0



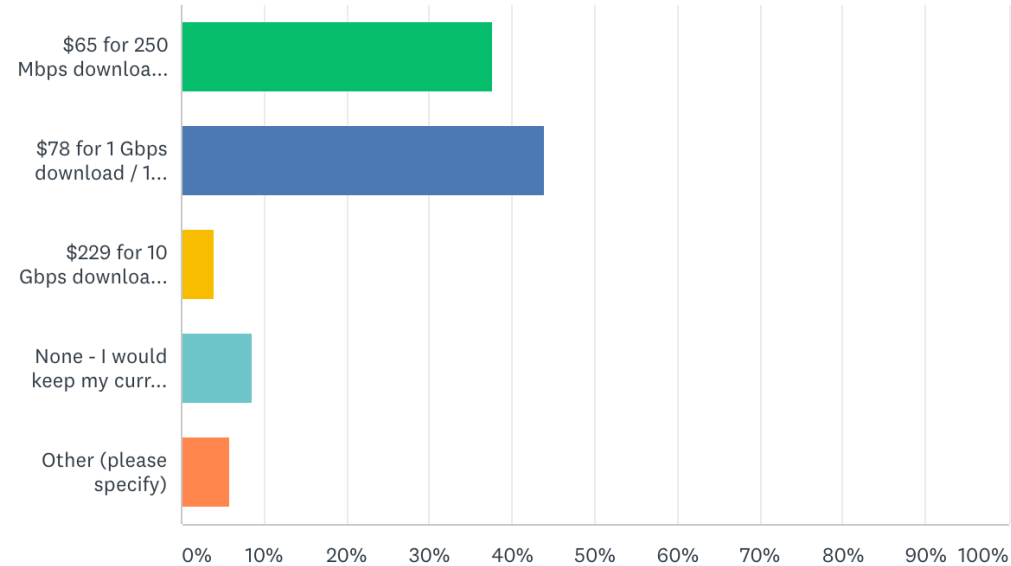
ANSWER CHOICES	RESPONSES	
▼ Yes	90.41%	377
▼ No	2.40%	10
▼ Other (please specify)	Responses 7.19%	30
TOTAL		417



SIMILAR CITY – SURVEY RESULTS

If you were offered the following options from a fiber broadband provider, what would you sign up for?

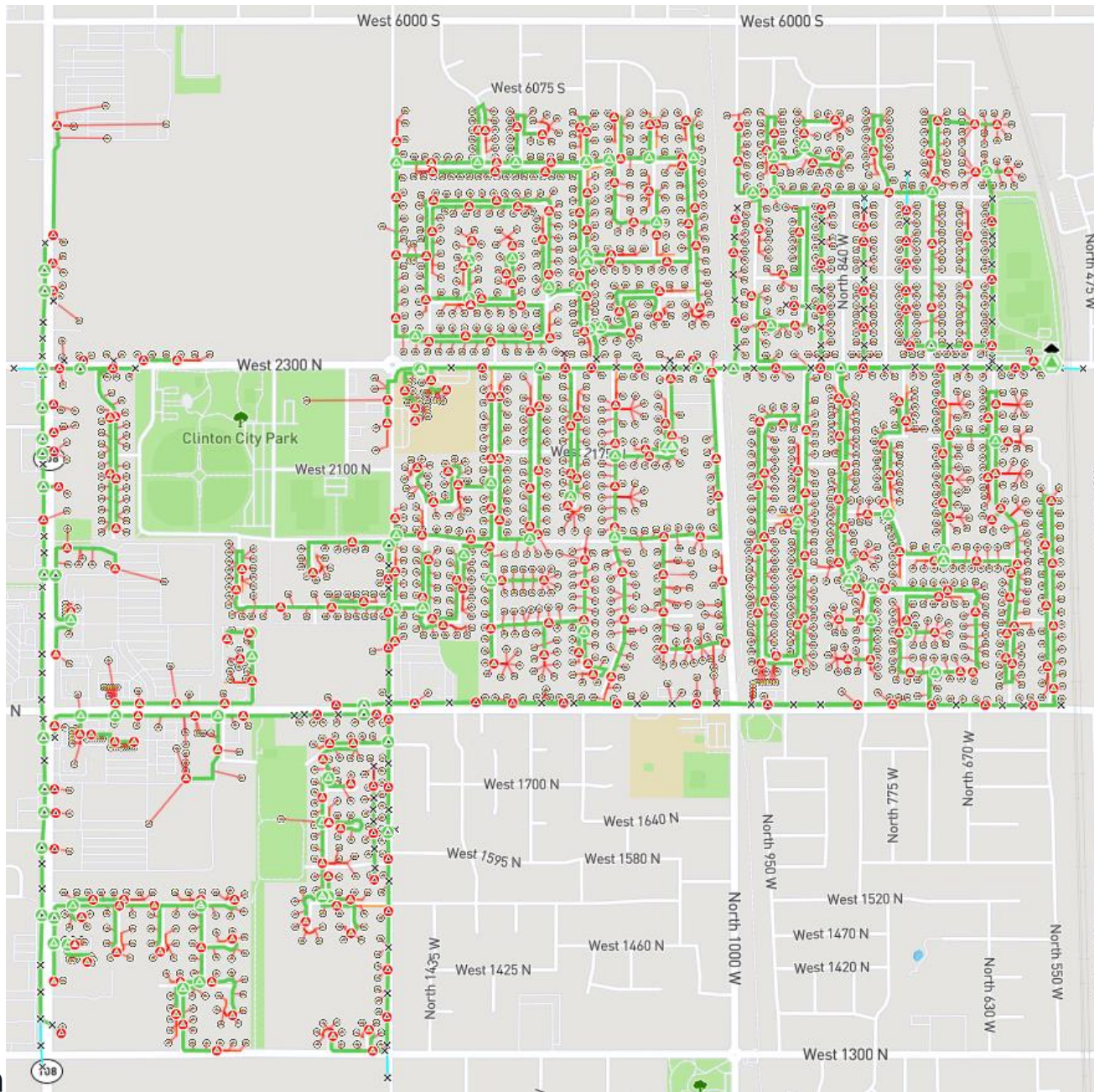
Answered: 417 Skipped: 0



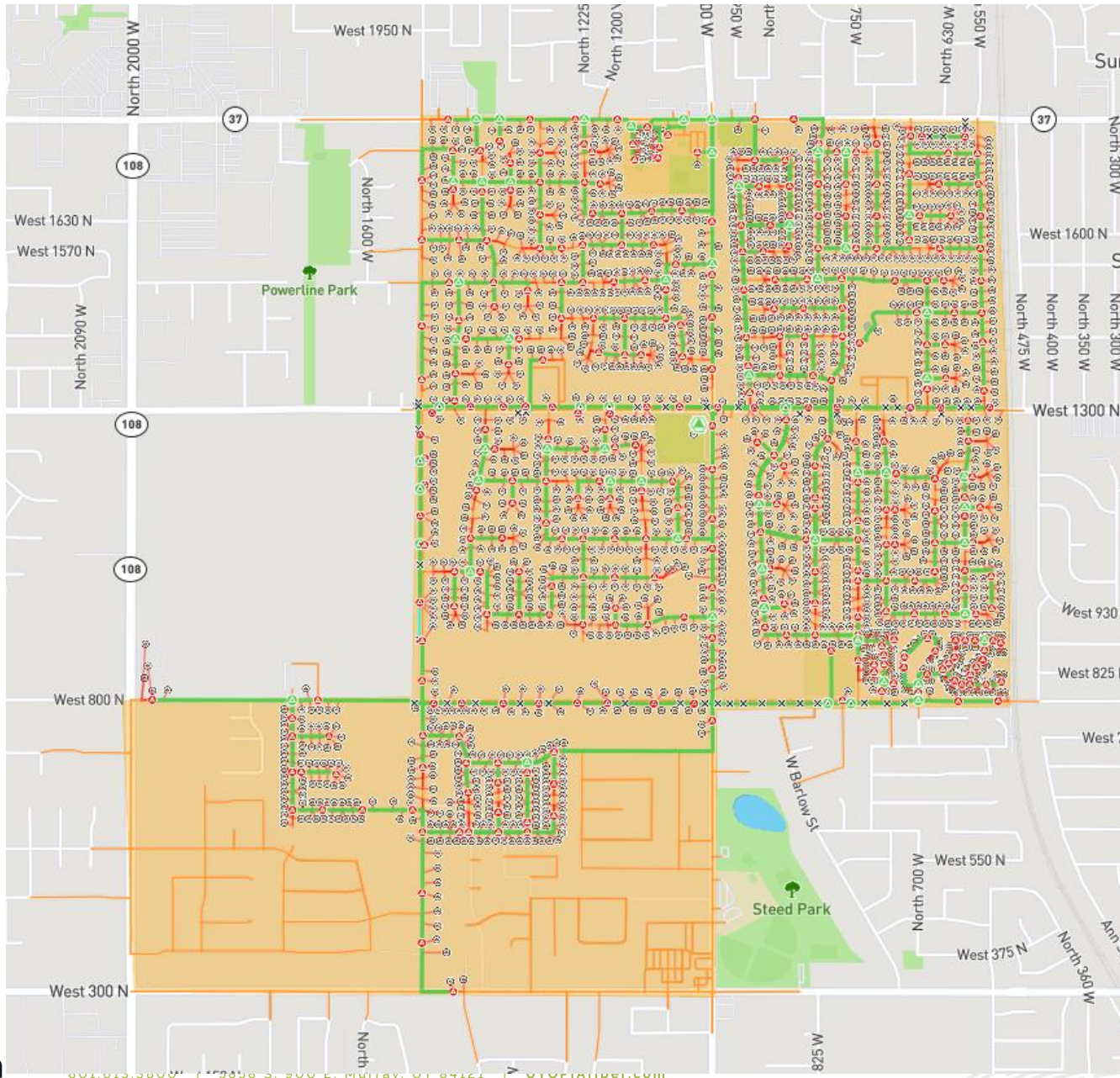
ANSWER CHOICES	RESPONSES	
▼ \$65 for 250 Mbps download / 250 Mbps upload	37.65%	157
▼ \$78 for 1 Gbps download / 1 Gbps upload	43.88%	183
▼ \$229 for 10 Gbps download / 10 Gbps upload	4.08%	17
▼ None - I would keep my current service	8.63%	36
▼ Other (please specify)	Responses 5.76%	24
TOTAL		417



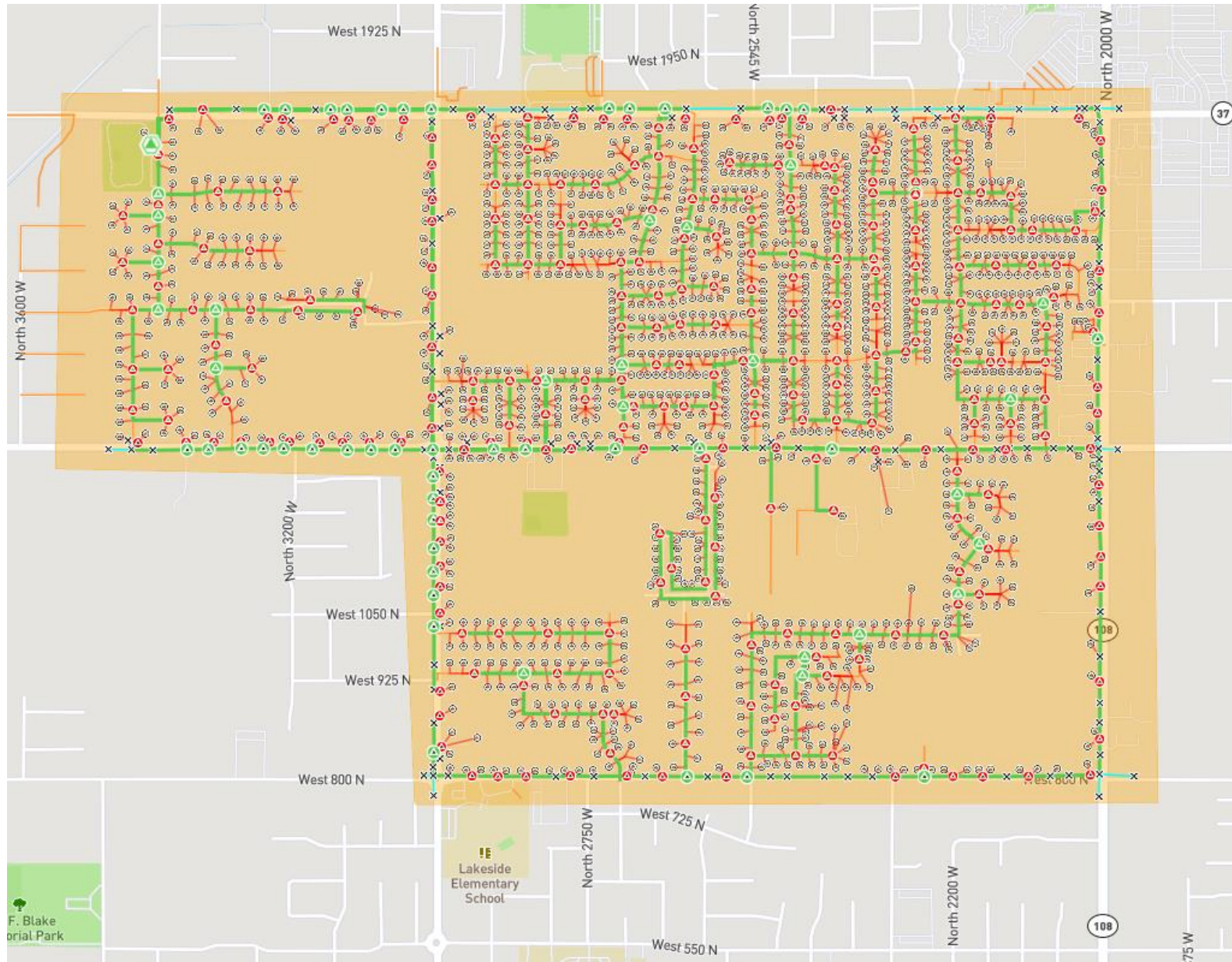
CLINTON – CT001 FOOTPRINT



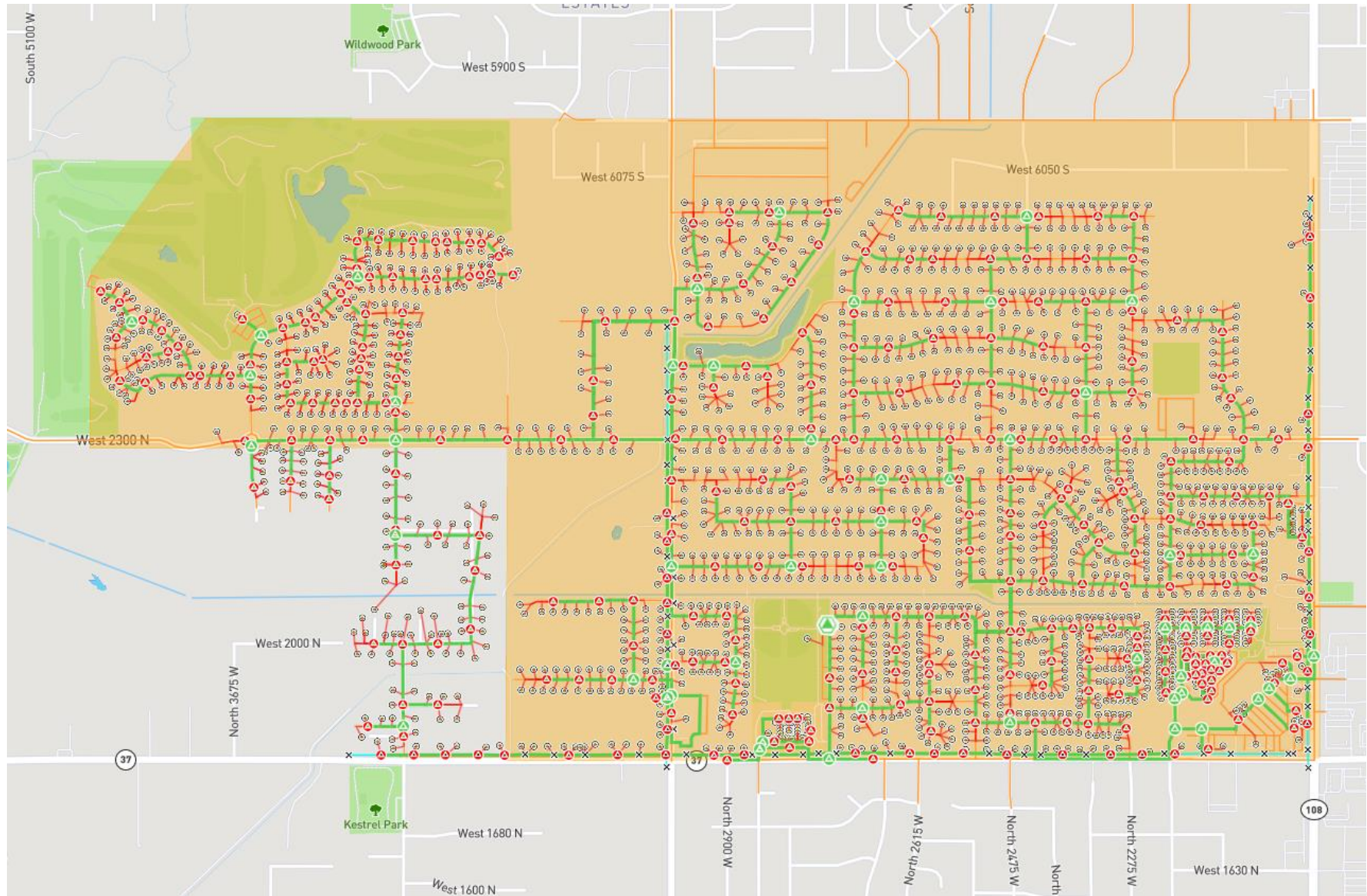
CLINTON – CT002 FOOTPRINT



CLINTON – CT003 FOOTPRINT



CLINTON – CT004 FOOTPRINT



FINANCIAL OVERVIEW

UIA bonds for and pays for 100% of project from subscriber revenues, including additional installations, expansion to new areas, and churn

Initial project terms:

Mainline Project

- Mainline construction = \$9,839,600
- Equipment Shelter (hut) = \$400,000
- Electronics = \$165,800
- Core Impact Costs = \$114,200
- Interconnect Route = \$491,800
- Total = \$11,011,400

Installations (35%)

- \$2,664,000

Total Financed Cost

- \$13,675,400
- = \$76,582/mo (covered with 33.6% take-rate or 2553 subscribers)



PROJECT STEPS



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3. RFP
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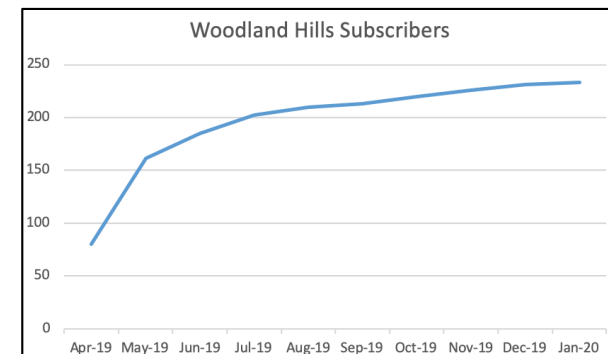
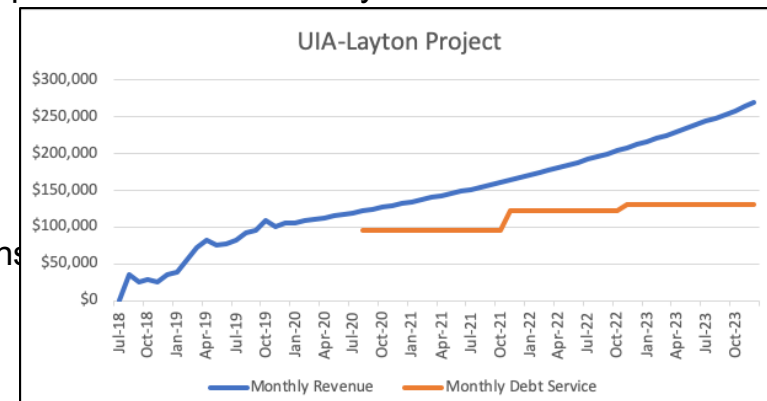


1-2
years for
project
completion



OTHER SIMILAR PROJECTS

- General UIA Projects (~\$170M)
 - Revenues are exceeding debt service for all projects
 - Approximately \$1.4M/mo revenues covering approx. \$1.1M/mo monthly debt service for all UIA projects
- Layton City 2nd Half (\$23M)
 - Contract Approved - July 2018
 - Buildout nearing Completion
 - Revenues exceeding debt service with 6 months remaining on capitalized interest period
- Woodland Hills
 - Contract Approved - October 2018
 - Construction Completed March 2019
 - Current Take-rate (of actual homes) - **70%**
- Morgan City (\$2.5M)
 - Contract Approved – January 2019
 - 1/3 Construction Completed
 - Take-rate of 25% after 1 month
- Payson City 2nd Half (\$3.5M)
 - Currently under construction
- West Point (\$7.2M)
 - Currently under construction



Why Partner with UTOPIA Fiber?

- **Lowest Cost to City**
- **Lowest Risk to City**
- **Fastest Buildout**
- **Most Existing Connectivity**
- **Largest Open-access System in Country**
- **Stable Finances**
- **Resources in place to ensure successful project**
- **Trusted Partner (Highly recommended from other cities)**
- **Legal, Technical, Financial, Feasibility work already completed at no cost to city**
- **“Shovel Ready”**
- **Various cost/performance guarantees**



Questions?

Roger Timmerman, Executive Director

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www.utopiafiber.com

801-613-3855

